Ariani Textiles & Manufacturing Sdn Bhd v Gulatis Exclusive Sdn Bhd

HIGH COURT (KUALA LUMPUR) — SUIT NO WA-221P-21–02 OF 2019
MOHD RADZI HARUN J
7 JUNE 2023

Copyright — Infringement — Substantial reproduction — Whether defendant had substantially copied whole or major part of plaintiff's designs on headscarves — Whether designs on plaintiff's and defendant's headscarves were so similar they could not be a coincidence — Whether plaintiff had proven it owned copyright in its works — Whether defendant failed to prove designs on its products were its own creation — Whether adverse inference had to be invoked against defendant for failing to call its design-creator to testify — Whether weight of evidence showed that defendant had infringed plaintiff's copyright in its works

In the instant action, the plaintiff sought an injunction to restrain the defendant from infringing the plaintiff's copyright in its works, an order directing the defendant to deliver up all products that infringed the plaintiff's copyright which were in its possession, power, custody or control and an inquiry to ascertain the damages payable by the defendant for copyright infringement. The copyright concerned the designs of headscarves for Muslim women. The plaintiff contended that since 2008, it went into the business of creating and producing for sale and distribution several designs of headscarves under various commercial names, all bearing the 'ARIANI' trademark ('the plaintiff's works'). On various dates in 2017, the plaintiff had filed voluntary notifications of copyright for the plaintiff's works bearing the title of the work, date of creation and the creator's name together with the relevant statutory declarations pursuant to s 26A of the Copyright Act 1987 ('the CA') and reg 5(2) and (3) of the Copyright (Voluntary Notification) Regulations 2012 ('the 2012 Regulations'). The plaintiff said it subsequently found that a range of headscarves that the defendant traded in under its 'AALIA' trademark were substantial reproductions ('infringing products') of the designs in the plaintiff's works. Following a complaint lodged by the plaintiff about the matter, officers from the Ministry of Domestic Trade raided the defendant's sales outlets and seized a number of the infringing products. The plaintiff also made random purchases of the infringing products from the defendant's outlets to be used as evidence at the trial. The plaintiff argued that the infringing products had damaged its business, reputation and goodwill. In its defence, the defendant contended that the plaintiff could not claim copyright in the plaintiff's works as they were common-place designs freely available in the textile industry. The defendant claimed that the designs in its headscarves under the 'AALIA'

trademark were its own creations and not copied from the plaintiff's works and therefore it enjoyed copyright in the infringing products. To that end, the defendant argued that it was the plaintiff that had copied the designs in the infringing products. The defendant had filed voluntary notifications of copyright in the infringing products on various dates in 2018 pursuant to the CA and the 2012 Regulations. In each case, one Norshaiza bt Abdullah was named as the creator of the designs. The defendant said there was no similarity or causal connection between the plaintiff's works and the infringing products to constitute infringement on its part. The defendant counterclaimed for declarations that the plaintiff did not own copyright in the plaintiff's works, that the defendant was entitled to distribute, market and sell the infringing products freely without encumbrances and that the plaintiff had unlawfully interfered with the defendant's trade and business. The defendant also sought an injunction to restrain the plaintiff from interfering with the defendant's trade and/or inducing breach of contract between itself and its customers and/or suppliers.

Held, allowing the plaintiff's claim and dismissing the counterclaim:

(1) The defendant approbated and reprobated in its stance, pleading on the one hand that the infringing products were unique and distinctive and not at all similar to the plaintiff's works as to constitute infringement and, on the other hand, pleading that it was the plaintiff that had copied the designs in the defendant's infringing products thereby infringing the defendant's copyright in the infringing products. This stance was also taken by the defendant's witnesses, DW2 and DW3, who were, respectively, its executive director and managing director. The defendant could not be permitted to blow hot and cold and had to elect which stand it wished to adopt. The defendant's expert witness, DW1, testified that the degree of similarity between the plaintiff's works and the infringing products was sufficient to qualify as infringement. The court agreed with the plaintiff that DW1's visual assessment of the said products factually supported the plaintiff's case and contradicted the defendant's evidence and the evidence of DW2 and DW3 (see paras 34–37).

(2) The defendant had failed to suggest or put to any of the plaintiff's witnesses during cross-examination that the plaintiff's works were not unique or original but a mere reproduction and copying of designs that already existed in the textile business so that the plaintiff was not entitled to claim copyright protection. Since the point was of such critical importance to the defendant, it ought to have been put to the plaintiff's witnesses. The failure to do so adversely affected the defendant's case as the court was entitled to ignore the point that was pleaded but not pursued by the defendant. Accordingly, the court proceeded on the basis that the defendant was no longer advancing the pleaded point as a ground to vitiate the plaintiff's claim to copyright in its works (see paras 38–40).

(3) The plaintiff had advanced sufficient evidence to show that the plaintiff's works was original and not copied from another and that it had expended a substantial amount of skill and labour towards its creation such that it could claim copyright over the said works. By filing the voluntary notifications for the plaintiff's works, backed by statutory declarations, pursuant to s 26A of the CA, the plaintiff had shown prima facie evidence under s 42 of the CA that copyright subsisted in the plaintiff's works and that it was the owner of that copyright (see paras 43 & 47–49).

(4) After examining and comparing the physical copies of the plaintiff's works with the defendant's infringing products and considering all the other evidence in the case, the court found an exceptionally high degree of similarity between the two that could not be put down to sheer coincidence. The court concluded that the infringing products were not independently created but were reproductions of the whole or substantial portions of the plaintiff's works. The plaintiff had proven sufficient objective similarity between its works and the defendant's infringing products and the causal connection between the two (see paras 60–65).

(5) Adverse inference had to be invoked against the defendant on its failure to call its fabric designer and main creator of the designs in the infringing products, Nor Shahiza Abdullah, to testify at the trial. Her evidence was critical for the defendant to discharge its burden of proving that the infringing products were not copied from another but was the defendant's independent creation. The failure to produce Nor Shahiza Abdullah had also deprived the plaintiff of the opportunity to cross-examine her on the key issues pertaining to the case (see paras 67, 70 & 72–73).

(6) The fact that the Ministry's officers who raided the defendant's premises were not called by the plaintiff to testify did not in any manner affect the plaintiff's case. The plaintiff was required to prove its case through the testimonies of other witnesses and the tendering of other forms of evidence (see para 83).

[Bahasa Malaysia summary

Dalam tindakan semasa, plaintif memohon satu injunksi untuk menghalang defendan daripada melanggar hak cipta plaintif dalam karyanya, satu perintah mengarahkan defendan menyerahkan semua produk yang melanggar hak cipta plaintif yang berada dalam milikan, kuasa, jagaan atau kawalannya dan siasatan untuk memastikan ganti rugi yang perlu dibayar oleh defendan untuk pelanggaran hak cipta tersebut. Hak cipta tersebut adalah berkenaan dengan reka bentuk tudung untuk wanita Islam. Plaintif menegaskan bahawa sejak 2008, ia terlibat dalam perniagaan mencipta dan mengeluarkan untuk penjualan dan pengedaran beberapa reka bentuk tudung di bawah pelbagai nama komersial, semuanya mempunyai tanda dagangan 'ARIANI' ('karya

plaintif'). Pada pelbagai tarikh pada tahun 2017, plaintif telah memfailkan pemberitahuan hak cipta secara sukarela untuk karya plaintif yang mengandungi tajuk karya, tarikh penciptaan dan nama pencipta bersama-sama dengan akuan berkanun yang berkaitan menurut s 26A Akta Hak Cipta 1987 ('AHC') dan peraturan 5(2) dan (3) Peraturan Hak Cipta (Pemberitahuan Sukarela) 2012 ('Peraturan 2012'). Plaintif berkata ia kemudiannya mendapati bahawa rangkaian tudung yang didagangkan oleh defendan di bawah tanda dagangan 'AALIA' adalah pengeluaran semula yang banyak ('produk yang melanggar') reka bentuk dalam karya plaintif. Susulan aduan yang dibuat oleh plaintif mengenai perkara tersebut, pegawai dari Kementerian Perdagangan Dalam Negeri menyerbu kedai jualan defendan dan merampas sejumlah produk yang melanggar. Plaintif juga membuat pembelian rawak produk yang melanggar daripada kedai defendan untuk digunakan sebagai keterangan semasa perbicaraan. Plaintif berhujah bahawa produk yang melanggar tersebut telah merosakkan perniagaan, reputasi dan nama baiknya. Dalam pembelaannya, defendan berpendapat bahawa plaintif tidak boleh menuntut hak cipta dalam karya plaintif kerana ia adalah reka bentuk biasa yang boleh didapati secara bebas dalam industri tekstil. Defendan mendakwa bahawa reka bentuk tudungnya di bawah tanda dagangan 'AALIA' adalah ciptaan sendiri dan tidak ditiru daripada karya plaintif dan oleh itu ia menikmati hak cipta dalam produk yang melanggar. Untuk tujuan tersebut, defendan berhujah bahawa plaintif yang telah menyalin reka bentuk dalam produk yang melanggar. Defendan telah memfailkan pemberitahuan hak cipta secara sukarela dalam produk yang melanggar pada pelbagai tarikh pada 2018 menurut AHC dan Peraturan 2012. Dalam setiap kes, seorang Norshaiza bt Abdullah dinamakan sebagai pencipta reka bentuk. Defendan berkata tidak ada persamaan atau hubungan sebab akibat antara kerja plaintif dan produk yang melanggar untuk membentuk pelanggaran di pihaknya. Defendan menuntut balas untuk satu deklarasi bahawa plaintif tidak memiliki hak cipta dalam karya plaintif, bahawa defendan berhak untuk mengedar, memasarkan dan menjual produk yang melanggar secara bebas tanpa bebanan dan bahawa plaintif telah secara tidak sah mengganggu perdagangan dan perniagaan defendan. Defendan juga memohon injunksi untuk menghalang plaintif daripada campur tangan dengan perdagangan defendan dan/atau mendorong pelanggaran kontrak antara dirinya dan pelanggan dan/atau pembekalnya.

Diputuskan, membenarkan tuntutan plaintif dan menolak tuntutan balas:

(1) Defendan bersetuju dan menafikan pendiriannya, memplidkan di satu keadaan bahawa produk yang melanggar adalah unik dan tersendiri dan tidak sama sekali dengan kerja plaintif untuk membentuk pelanggaran dan, sebaliknya, memplidkan bahawa ia adalah plaintif yang telah menyalin reka bentuk dalam produk pelanggaran defendan dengan itu melanggar hak cipta defendan dalam produk yang melanggar. Pendirian ini turut diambil oleh saksi defendan, DW2 dan DW3, yang

masing-masing merupakan pengarah eksekutif dan pengarah urusannya. Defendan tidak boleh dibenarkan 'to blow hot and cold' dan harus memilih pendirian mana yang ingin diterima pakai. Saksi pakar defendan, DW1, memberi keterangan bahawa tahap persamaan antara karya plaintif dan produk yang melanggar adalah mencukupi untuk layak sebagai pelanggaran. Mahkamah bersetuju dengan plaintif bahawa penilaian visual DW1 terhadap produk tersebut secara fakta menyokong kes plaintif dan bercanggah dengan keterangan defendan dan keterangan DW2 dan DW3 (lihat perenggan 34–37).

(2) Defendan telah gagal untuk mencadangkan atau mengemukakan kepada mana-mana saksi plaintif semasa pemeriksaan balas bahawa karya plaintif bukanlah unik atau asli tetapi hanya pengeluaran semula dan penyalinan reka bentuk yang telah wujud dalam perniagaan tekstil supaya plaintif tidak berhak menuntut perlindungan hak cipta. Memandangkan perkara tersebut sangat penting kepada defendan, ia sepatutnya dikemukakan kepada saksi plaintif. Kegagalan berbuat demikian memberi kesan buruk kepada kes defendan kerana mahkamah berhak untuk mengabaikan perkara yang diplidkan tetapi tidak diteruskan oleh defendan. Sehubungan itu, mahkamah meneruskan atas dasar bahawa defendan tidak lagi mengemukakan perkara yang diplidkan sebagai alasan untuk membatalkan tuntutan plaintif terhadap hak cipta dalam karyanya (lihat perenggan 38–40).

(3) Plaintif mempunyai keterangan yang mencukupi untuk menunjukkan bahawa karya plaintif adalah asli dan tidak ditiru daripada yang lain dan bahawa ia telah membelanjakan sejumlah besar kemahiran dan tenaga kerja ke arah penciptaannya supaya ia boleh menuntut hak cipta ke atas karya tersebut. Dengan memfailkan pemberitahuan sukarela untuk karya plaintif, disokong oleh akuan berkanun, menurut s 26A AHC, plaintif telah menunjukkan keteragan prima facie di bawah s 42 AHC bahawa hak cipta wujud dalam karya plaintif dan bahawa ia adalah pemilik hak cipta tersebut (lihat perenggan 43 & 47–49).

(4) Selepas meneliti dan membandingkan salinan fizikal karya plaintif dengan produk pelanggaran defendan dan mempertimbangkan semua keterangan lain dalam kes, mahkamah mendapati tahap persamaan yang sangat tinggi antara kedua-duanya yang tidak boleh dianggap secara kebetulan semata-mata. Mahkamah membuat kesimpulan bahawa produk yang melanggar tersebut tidak dicipta secara bebas tetapi merupakan pengeluaran semula keseluruhan atau sebahagian besar karya plaintif. Plaintif telah membuktikan persamaan objektif yang mencukupi antara karyanya dan produk pelanggaran defendan dan hubungan sebab akibat antara keduanya (lihat perenggan 60–65).

(5) Inferensi bertentangan terpaksa dibuat terhadap defendan atas kegagalannya memanggil pereka fabrik dan pencipta utama reka bentuk

dalam produk yang melanggar, Nor Shahiza Abdullah, untuk memberi keterangan semasa perbicaraan. Keterangannya adalah kritikal bagi defendan untuk melepaskan bebannya membuktikan bahawa produk yang melanggar tersebut tidak ditiru daripada yang lain tetapi adalah ciptaan bebas defendan. Kegagalan untuk mengemukakan Nor Shahiza Abdullah juga telah melucutkan peluang plaintif untuk menyoal balasnya mengenai isu-isu utama yang berkaitan dengan kes (lihat perenggan 67, 70 & 72–73).

(6) Fakta bahawa pegawai Kementerian yang menyerbu premis defendan tidak dipanggil oleh plaintif untuk memberi keterangan tidak dalam apa-apa cara menjejaskan kes plaintif. Plaintif dikehendaki membuktikan kesnya melalui keterangan saksi lain dan pengemukaan bentuk keterangan lain (lihat perenggan 83).]

Cases referred to

Auvi Trademark, Re; Auvi Pte Ltd v Seah Siew Tee & Anor [1992] 1 SLR 639, HC (refd)

Bank Bumiputra (M) Bhd v Hashbudin bin Hashim [1998] 3 MLJ 262, HC (refd)

Cheah Theam Kheng v City Centre Sdn Bhd (in liquidation) and other appeals [2012] 1 MLJ 761, CA (refd)

Chong Kak Hau v PP [2009] 8 CLJ 10, HC (refd)

Chuah Aik King (sole proprietor of Sykt B Three Technology) v Keydonesoft Sdn Bhd [2019] 8 MLJ 515; [2018] 10 CLJ 354, HC (distd)

DNC Asiatic Holdings Sdn Bhd & Ors v Honda Giken Kogyo Kabushiki Kaisha and other appeals [2019] MLJU 2170; [2020] 1 CLJ 799, CA (refd)

Elster Metering Ltd & Anor v Damini Corp Sdn Bhd & Anor [2011] 8 MLJ 253; [2010] 1 LNS 397, HC (refd)

Elster Metering Limited & Anor v Damini Corporation Sdn Bhd & Anor [2012] MLJU 1753; [2012] 1 LNS 959, CA (refd)

Francis Day & Hunter Ltd and another v Bron and another [1963] Ch 587, CA (refd)

Honda Giken Kogyo Kabushiki Kaisha (also known as 'Honda Motor Co Ltd') v MForce Bike Holdings Sdn Bhd & Anor [2021] 6 MLJ 594, CA (refd)

Jaafar bin Shaari & Anor (suing as administrators of the estate of Shofiah bte Ahmad, deceased) v Tan Lip Eng & Anor [1997] 3 MLJ 693, SC (refd)

Lee Chye Yen & Anor (t/a 'Ebiz Solution Network') v EoneNet Com Sdn Bhd [2014] 4 MLJ 595, CA (refd)

Letchumanan Chettiar Alagappan @ L Allagappan (as executor to SL Alameloo Achi alias Sona Lena Alamelo Acho, deceased) & Anor v Secure Plantation Sdn Bhd [2017] 4 MLJ 697, FC (refd)

Lion Engineering Sdn Bhd v Pauchuan Development Sdn Bhd [1996] MLJU 275, HC (refd)

Longman Malaysia Sdn Bhd v Pustaka Delta Pelajaran Sdn Bhd [1987] 2 MLJ

359; [1986] 1 LNS 84 (refd)
Megnaway Enterprise Sdn Bhd v Soon Lian Hock (sole proprietor of the firm Performance Audio & Car Accessories Enterprise) [2009] 3 MLJ 525; [2009] 8 CLJ 130, HC (refd)
Microsoft Corporation v Yong Wai Hong [2008] 3 MLJ 309; [2008] 6 CLJ 223, CA (refd)
Mohd Syamsul bin Md Yusof & Ors v Elias bin Idris [2019] 4 MLJ 788; [2019] 7 CLJ 560, FC (refd)
Munusamy v PP [1987] 1 MLJ 492, SC (refd)
Public Services Commission Malaysia & Anor v Vickneswary a/p RM Santhivelu (substituting M Senthivelu a/l R Marimuthu, deceased) [2008] 6 MLJ 1, FC (refd)
Purefoy Engineering Co Ltd v Sykes Boxall & Co Ltd, Sykes and Boxall (1955) 72 RPC 89, CA (refd)
Rajagopal a/l Santhanam v PP [1998] MLJU 250; [1998] 1 LNS 485, HC (refd)
Risk-X Sdn Bhd v Capital Market Risk Advisor Sdn Bhd & Ors [2016] MLJU 1128, HC (refd)
Rock Records (M) Sdn Bhd v Audio One Entertainment Sdn Bhd [2005] 3 MLJ 552; [2005] 1 CLJ 200, HC (refd)
Sabah Shell Petroleum Co Ltd & Anor v The Owners of and/or Any Other Persons Interested in the Ship or Vessel the 'Borcos Takdir' [2012] 5 MLJ 515, HC (refd)
Sistem Penyuraian Trafik KL Barat Sdn Bhd v Kenny Heights Development Sdn Bhd & Anor [2009] 3 MLJ 809, CA (refd)
Siti Khadijah Apparel Sdn Bhd v Ariani Textiles & Manufacturing (M) Sdn Bhd [2019] 7 MLJ 478; [2019] 8 CLJ 695, HC (refd)
SkyWorld Development Sdn Bhd & Anor v SkyWorld Holdings Sdn Bhd & Ors [2020] 3 MLJ 294; [2020] 1 LNS 48, CA (refd)
Sungei Kahang Palm Oil Sdn Bhd & Anor v YKL Engineering Sdn Bhd [2020] MLJU 953; [2020] 1 LNS 1072, CA (refd)
Tenaga Nasional Bhd v Irham Niaga Sdn Bhd & Anor [2011] 1 MLJ 752, CA (refd)
Teo Hock Guan & Anor (t/a Teo Meng Huah Construction) v Johore Builders & Investments Sdn Bhd [1996] 2 MLJ 596, CA (refd)
The New Straits Times Press (M) Bhd & Anor v Admal Sdn Bhd [2013] 6 MLJ 405; [2013] 9 CLJ 955, CA (refd)
Yeo Ing King v Melawangi Sdn Bhd [2016] 5 MLJ 631, CA (refd)
Ultra Dimension Sdn Bhd v Ketua Pengarah, Lembaga Penggalakan Pelancongan Malaysia & Ors [2010] 8 CLJ 245, HC (refd)

Legislation referred to

Copyright (Voluntary Notification) Regulations 2012 regs 5(2), (3), 8(2)
Copyright Act 1987 ss 3, 7, 13, 13(1), 26A, 26A(3)(b), 26B, 36, 42, 42(2), 53

Bahari Yeow Tien Hong (with Lim Zhi Jian) (Gan Partnership) for the plaintiff.
Shamesh Jeevaretnam (with Charlotte Williams and Dviana) (Jeeva Partnership) for the defendant.

Mohd Radzi Harun J:

INTRODUCTION

[1] After a full trial, this court allowed the plaintiff's claims for copyright infringement against the defendant, dismissed the defendant's counterclaim, and ordered the following:

(a) a permanent injunction to restrain the defendant, whether acting by himself or otherwise from doing the following acts or things or any of them:

(i) infringing the plaintiff's copyright in the plaintiff's works;

(ii) reproduction in any material form of the plaintiff's works and/or in any material form which is identical or similar to the plaintiff's works; and

(iii) importing to Malaysia, releasing, having in possession to conduct business, distributing in the course of business without license from the plaintiff, selling, offering for hire, offering or exposing for sale or for hire, exhibiting, or reproducing plaintiff's works and/or in any material form which is identical or similar to the plaintiff's works and/or infringing the plaintiff's copyright in any manner.

(b) delivery up order of all of the infringing products which are in the defendant's possession, power, custody or control;

(c) an inquiry for damages for infringement of copyright; and

(d) costs and interests.

[2] The defendant now appeals against the whole of that decision and below are the reasons as to how this court arrived at such decision.

FACTS

The plaintiff's case

[3] Since 2008, the plaintiff traded in the business of headscarves for Muslim ladies under the trademark 'ARIANI'. To that end, the plaintiff conceived, inspired, designed, and created numerous artwork designs for the said headscarves bearing the 'ARIANI' trademark with numerous commercial names or titles of works.

[4] The subject matter of this suit concerns the 'ARIANI' headscarves with the following nine commercial names/titles of works (collectively referred to as 'plaintiff's works'):

(a) Kendra Printed Shawl Eyelash;

(b) Instant Lunaa 1;

(c) Chantilly Allegra Printed Shawl Eyelash;

(d) Instant Lunaa 4;

(e) Instant Layla 1;

(f) Instant Layla 3;

(g) Medina Printed Shawl;

(h) Nura Printed Shawl; and

(i) Miss D Printed Shawl.

[5] Voluntary notifications of copyright for the plaintiff's works pursuant to s 26A of the Copyright Act 1987 ('the CA') and reg 5(2) of the Copyright (Voluntary Notification) Regulations 2012 were made by the plaintiff on various dates in 2017. The voluntary notifications were made on behalf of the plaintiff by the plaintiff's representative with the plaintiff's authorisation pursuant to reg 5(3) of the Regulations. The notifications were filed together with statutory declarations in compliance with s 26A(3)(b) of the CA and sub-reg 5(2) and (3) of the Regulations.

[6] The details of the voluntary notifications are as set out at pp 141–170 of the First Schedule to the statement of claim, the brief information of which are as follows:

No	Title of Work	Name of Owner (Name of Author)	Date of Creation	Filing No of Voluntary Copyright Notification (Date of filing)	Date of Publication/ Release
1	Kendra Printed Shawl Eyelash	Plaintiff (Ahmad Fauzam bin Awang Petra)	30 January 2017	AR2017002575 (10 August 2017)	24 April 2017
2	Instant Lunaa 1	Plaintiff (Ahmad Fauzam bin Awang Petra)	28 February 2017	AR2017002583 (10 August 2017)	25 May 2017

No	Title of Work	Name of Owner (Name of Author)	Date of Creation	Filing No of Voluntary Copyright Notification (Date of filing)	Date of Publication/ Release
3	Chantilly Allegra Printed Shawl Eyelash	Plaintiff (Ahmad Fauzam bin Awang Petra)	30 January 2017	AR2017002577 (10 August 2017)	24 April 2017
4	Instant Lunaa 4	Plaintiff (Ahmad Fauzam bin Awang Petra)	28 February 2017	AR2017002574 (10 August 2017)	25 May 2017
5	Instant Layla 1	Plaintiff (Ahmad Fauzam bin Awang Petra)	28 February 2017	AR2017002587* (10 August 2017)	25 May 2017
6	Instant Layla 3	Plaintiff (Ahmad Fauzam bin Awang Petra)	28 February 2017	AR2017002589 (10 August 2017)	25 May 2017
7	Medina Printed Shawl	Plaintiff (Ahmad Fauzam bin Awang Petra)	30 March 2017	AR2017001790 (2 June 2017)	16 May 2017
8	Nura Printed Shawl	Plaintiff (Ahmad Fauzam bin Awang Petra)	30 March 2017	AR2017001791 (2 June 2017)	16 May 2017
9	Miss D Printed Shawl	Plaintiff (Ahmad Fauzam bin Awang Petra)	30 March 2017	AR2017001789 (2 June 2017)	16 May 2017

*The voluntary notification number as shown in the formal document lodged with MyIPO as shown at p 121 of BP1 is AR2017002587. However, this number was mistakenly stated as AR2017002578 at pp 16 and 42 of the statement of claim. This was raised by this court on the day when the decision was read out. This court found this editorial mistake does not cause any injustice to the defendant, or any other party.

[7] The plaintiff's works were shown to this court during the trial and marked as exhs P9–P17.

[8] The plaintiff had discovered that in the course of the defendant's trade or business, the defendant had sold, offered for sale, supplied, offered to supply, distributed, imported, procured, stored, advertised and/or promoted headscarves bearing the 'AALIA' trademark. The plaintiff claimed that certain collection of these headscarves are in actual fact reproduction in material form, in whole or substantially in part, of the plaintiff's works identical and/or similar to the plaintiff's works, and had been reproduced by the defendant without the plaintiff's consent, authority, and/or approval ('infringing products').

[9] Consequent to that discovery, the plaintiff lodged a complaint against the defendant on the infringing products to the Ministry of Domestic Trade ('Ministry'), which led to the officers of the Ministry carried out raids on 14 March 2018 at the defendant's outlets at Jalan Tuanku Abdul Rahman, Ampang Point, Wangsa Maju and SACC Mall, Shah Alam.

[10] The plaintiff alleged that following those raids, the Ministry officials discovered 309 pieces of the infringing products at the defendant's premises, with various commercial names as follows:

(a) Noura Printed Shawl Eyelash 4;

(b) Noura Printed Shawl Eyelash 18;

(c) Instant Alaaina 40;

(d) Instant Alaaina 6;

(e) Instant Alaaina 7;

(f) Instant Alaaina 9;

(g) Instant Alaaina 39; and

(h) Noura Printed Shawl Eyelash 17.

[11] The plaintiff claimed that the details of the 309 pieces of the infringing products that were found at the said premises of the defendant are as follows:

Commercial names of the infringing products	Ampang Point	Jln TAR	SACC Mall	Wangsa Maju
Noura Printed Shawl Eyelash 4	23	9	18	8
Noura Printed Shawl Eyelash 18	7	–	–	–
Instant Alaaina 40	27	6	17	15

Commercial names of the infringing products	Ampang Point	Jln TAR	SACC Mall	Wangsa Maju
Instant Alaaina 6	15	7	6	9
Instant Alaaina 7	3	4	8	10
Instant Alaaina 9	5	7	9	9
Instant Alaaina 39	19	–	5	13
Noura Printed Shawl Eyelash 17	35	4	3	7
Unidentified name	–	1	–	–
Total seized	134	38	66	71
TOTAL				309

[12] The plaintiff claimed further that those 309 pieces of infringing products are identical and/or similar to the plaintiff's works, in whole or substantially in part. The table below shows the defendant's infringing products corresponding to the plaintiff's works:

Title of plaintiff's work	Commercial names of the infringing products
Kendra Printed Shawl	Noura Printed Shawl Eyelash 4
Instant Lunaa 1	Noura Printed Shawl Eyelash 18
Chantilly Allegra Printed Shawl Eyelash	Instant Alaaina 40
Instant Lunaa 4	Instant Alaaina 6
Instant Layla 1	Instant Alaaina 7
Instant Layla 3	Instant Alaaina 9
Medina Printed Shawl	Instant Alaaina 39
Nura Printed Shawl	Unidentified
Miss D Printed Shawl	Noura Printed Shawl Eyelash 17

[13] It is an undisputed fact that until the completion date of the trial of this suit, the said 309 pieces of the infringing products are still in the possession of the Ministry.

[14] The plaintiff's witness, PW2, testified before this court that prior to the date of the raid, the plaintiff had trap-purchased the infringing products from the defendant. These trap-purchased infringing products were shown to this court during the trial by the plaintiff and they were marked as exhs P9A–P17A through PW2.

[15] The table below shows the defendant's infringing products corresponding to the plaintiff's works with their respective exhibit markings:

Title of plaintiff's work	Exhibit	Names of the infringing products	Exhibit
Kendra Printed Shawl	P9	Noura Printed Shawl Eyelash 4	P9A
Instant Lunaa 1	P10	Noura Printed Shawl Eyelash 18	P10A
Chantilly Allegra Printed Shawl Eyelash	P11	Instant Alaaina 40	P11A
Instant Lunaa 4	P12	Instant Alaaina 6	P12A
Instant Layla 1	P13	Instant Alaaina 7	P13A
Instant Layla 3	F14	Instant Alaaina 9	P14A
Medina Printed Shawl	P15	Instant Alaaina 39	P15A
Nura Printed Shawl	P16	Unidentified	
Miss D Printed Shawl	P17	Noura Printed Shawl Eyelash 17	P17A

[16] Comparison photographs of the defendant's infringing products corresponding to the plaintiff's works, the original of each items of which were shown to this court during the course of the trial, are as shown below:

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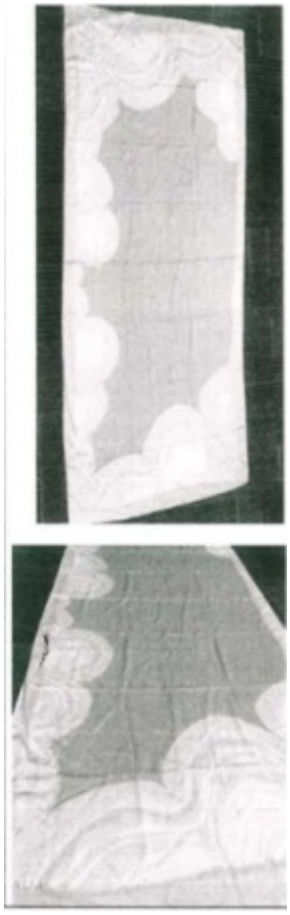
Plaintiff's work: Kendra Printed Shawl Eyelash (exh P9)	Defendant's infringing product: Noura Printed Shawl Eyelash 4 (exh P9A)

A B C D E F G H I

Plaintiff's work: Instant Lunaa 1 (exh P10)	Defendant's infringing product: Noura Printed Shawl Eyelash 18 (exh P10A)
	

Plaintiff's work: Chantilly Allegra Printed Shawl Eyelash (exh P11)	Defendant's infringing product: Instant Alaaina 40 (exh P11A)

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Plaintiff's work: Instant Lunaa 4 (exh P12)	Defendant's infringing product: Instant Alaaina 6 (exh P12A)
Plaintiff's work: Instant Layla 1 (exh P13)	Defendant's infringing product: Instant Alaaina 7 (exh P13A)

Plaintiff's work: Instant Layla 3 (exh P14)	Defendant's infringing product: Instant Alaaina 9 (exh P14A)
Plaintiff's work: Medina Printed Shawl (exh P15)	Defendant's infringing work: Instant Alaaina 39 (exh P15A)

Plaintiff's work: Nura Printed Shawl (exh P16)	Defendant's infringing work: Not identified/not shown during trial
Plaintiff's work: Miss D Printed Shawl (exh P17)	Defendant's infringing product: Noura Printed Shawl Eyelash 17 (exh P17A)

[17] The plaintiff pleaded that it owns the copyright in the plaintiff's works and as such it possesses the exclusive right to control the reproduction of the plaintiff's works in any material form, whether in whole in part, whether in its original or derivative form.

[18] The plaintiff further alleged the defendant's infringing products bearing the commercial names as enumerated above to have substantial similarity and causal connection with the plaintiff's works. Therefore, the infringing products are a reproduction of a substantial part of the plaintiff's works without the plaintiff's permission, authority, consent or license.

[19] Based on the facts as set out above, the plaintiff claimed that the defendant had infringed the copyright in the plaintiff's works when the defendant reproduced the infringing products without the plaintiff's consent, approval and authorisation. In so doing the defendant had injured the business, reputation and goodwill of the plaintiff. Consequently, the plaintiff suffered and continue to suffer irreparable damage and losses from the defendant's actions.

The defendant's case

[20] The defendant contended that it is a company with 58 years of involvement in the textile business. Having started its operation since 1991, it had obtained good name and reputation, particularly in the textile industry, not only in Malaysia but within the region. In comparison, the plaintiff was only established in 2008 and is a direct competitor of the defendant in the textile business, including the trading, selling and/or distribution of variety of shawls (*tudung*).

[21] It is the defendant's argument that it is impossible for the plaintiff to claim copyright over the plaintiff's works which has designs and configurations already existing in the industry, and as such are not the plaintiff's independent designs and not original.

[22] In essence, the defendant argued that the plaintiff's works cannot claim copyright protection on the following grounds:

(a) the plaintiff's works are purely functional and would therefore fail for copyright protection;

(b) if ever the plaintiff's works qualifies for protection, it is most appropriate to be registered as an industrial design, not copyright;

(c) the plaintiff is not the owner of the copyright of the nine plaintiff's works;

(d) the plaintiff's works are freely available in public; and

(e) the plaintiff's nine disputed shawls are based on common design which is freely available.

[23] The defendant contended that in comparison, the defendant had created its own designs for its line of headscarves for Muslim ladies under the trademark 'AALIA'. To that end, the defendant had conceived, inspired, designed, and created numerous artwork designs for the said headscarves bearing the 'AALIA' trademark with numerous commercial names or titles of works as follows:

(a) Noura Printed Shawl Eyelash 4;

(b) Noura Printed Shawl Eyelash 18;

(c) Instant Alaaina 40;

(d) Instant Alaaina 6;

(e) Instant Alaaina 7;

(f) Instant Alaaina 9;

(g) Instant Alaaina 39; and

(h) Noura Printed Shawl Eyelash 17.

The above eight works of the defendant had been referred to collectively in the preceding paragraphs as 'infringing products'.

[24] The defendant claims that there is subsisting copyright in the alleged infringing products and as the author of the alleged infringing products who had expended skill, effort and labour to create the infringing products, the defendant is the copyright owner who has the exclusive right to control the reproduction, communication, distribution of the infringing products. To that end, the defendant had not consented, allowed, permitted or authorised the plaintiff to reproduce the infringing products in the form of the plaintiff's works.

[25] Voluntary notifications of copyright for the alleged infringing products were made by the defendant pursuant to s 26B of the CA and sub-reg 8(2) of the Copyright (Voluntary Notification) Regulations 2012 on various dates in 2018. The brief information of the voluntary notifications are as follows:

No	Title of Work	Owner (Author)	Filing No of VN (Date of Filing)
1	Noura Printed Shawl Eyelash 4	Defendant	CRAR 00002543

No	Title of Work	Owner (Author)	Filing No of VN (Date of Filing)
		(Norshaiza bt Abdullah)	(30 March 2018)
2	Noura Printed Shawl Eyelash 18	Defendant (Norshaiza bt Abdullah)	CRAR 00002529 (30 March 2018)
3	Instant Alaaina 40	Defendant (Norshaiza bt Abdullah)	CRAR 00002504 (29 March 2018)
4	Instant Alaaina 6	Defendant (Norshaiza bt Abdullah)	CRAR 00002542 (30 March 2018)
5	Instant Alaaina 7	Defendant (Norshaiza bt Abdullah)	CRAR 00002484 (29 March 2018)
6	Instant Alaaina 9	Defendant (Norshaiza bt Abdullah)	CRAR 00002478 (29 March 2018)
7	Instant Alaaina 39	Defendant (Norshaiza bt Abdullah)	CRAR 00002514 (30 March 2018)
8	Noura Printed Shawl Eyelash 17	Defendant (Norshaiza bt Abdullah)	CRAR 00002510 (30 March 2018)

[26] It is the defendant's contention that the complaint lodged against the defendant with the Ministry was nothing more than a wrongful act of the plaintiff aimed to disrupt, interfere and obstruct the defendant's business and distribution in the headscarves or tudung business. The plaintiff's complaint had fraudulently misled the authorities to raid the defendant's premises to confiscate the infringing products. This was in fact designed by the plaintiff to enable it to monopolise and control access in the market and to block the defendant's innovative designs in the textile industry.

[27] The defendant argued that the artistic works in the plaintiff's works are not identical and/or similar to the defendant's alleged infringing products, and there is no casual connection with the plaintiff's designs due to the following:

(a) the fabric used by the defendant are of high quality satin crepe;

A (b) the defendant's shawls are unique in its feature, with ease of use, elegant appearance and explicitly fortified by consumers;

(c) the designs of the defendant's shawls are crafted in a particular shape to serve intended purpose; and

B (d) the texture of the satin crepe material used in the defendant's shawls are unique and sourced from exclusive principals.

[28] By virtue of the above, the subsistence of the plaintiff's copyright in the plaintiff's works is questionable and invalid.
C

[29] The defendant pleaded that the plaintiff was the one who had intentionally and deliberately copied the defendant's alleged infringing products and the plaintiff's works as shown in the First Schedule to the statement of claim is a mirror and qualitative reproduction or substantial copy
D of the defendant's infringing products, and the plaintiff continues to do so.

[30] Based on the above, the defendant counterclaimed against the plaintiff for the following:
E

(a) a declaration that the plaintiff is not the copyright owner of the plaintiff's works;

(b) a declaration that the defendant is entitled to distribute, market and sell the alleged infringing products freely without any encumbrances;
F

(c) a declaration that the plaintiff had unlawfully interfered with the defendant's trade and business; and

(d) injunction to restrain the plaintiff from interfering with the defendant's trade and/or inducing breach of contractual relationship between the defendant and its customers and/or suppliers.
G

FINDINGS

Locus Standi
H

[31] Relying on *Ultra Dimension Sdn Bhd v Ketua Pengarah, Lembaga Penggalakan Pelancongan Malaysia & Ors* [2010] 8 CLJ 245, *Risk-X Sdn Bhd v Capital Market Risk Advisor Sdn Bhd & Ors* [2016] MLJU 1128, and *Lee Chye Yen & Anor (t/a 'Ebiz Solution Network') v EoneNet Com Sdn Bhd* [2014] 4 MLJ 595, the defendant's counsel argued that as the plaintiff failed to establish that it was the owner of the copyright for the plaintiff's works, the plaintiff does not have the locus standi to bring this action against the defendant.
I

[32] This court had considered the evidence produced by the plaintiff in the form of the voluntary notification for the plaintiff's works and the accompanying documents including the SDs for each of the nine titles of work constituting the plaintiff's works.

[33] Having considered the said evidence and the testimonies of the witnesses, particularly PW1, who is the author of the plaintiff's works who has expended great work and effort in creating the plaintiff's works which he carried out during the course of his employment with the plaintiff, it is this court's finding that the plaintiff had successfully proven, on the balance of probabilities, that the plaintiff is the owner of the plaintiff's works. As the copyright owner of the plaintiff's works, the plaintiff possesses the locus standi to bring this action against the defendant.

The defendant's approbate and reprobate stance

[34] DW2 is the executive director of the defendant. DW3 is the managing director of the defendant company. DW2 and DW3 are husband and wife. In their evidence both DW2 and DW3 were supporting each other's testimonies. Their evidence were identical in substantiating the defendant's counterclaim that the plaintiff copied the defendant's infringed products. They went to great length to demonstrate the similarities in the designs of the plaintiff's works which they both claimed were similar with, and were copied from, the alleged infringing products. In the same breath, in their defence against the plaintiff's claims, they both testified that the infringing products are totally dissimilar in every aspects with the plaintiff's works. They further testified that the infringing products are unique and distinctly different. DW1, the defendant's expert witness, admitted in her testimony that the nine designs of the plaintiff's works and the defendant's infringing products are similar. She even testified positively that the degree of similarity is sufficient to qualify as infringement.

[35] This court agrees with the plaintiff's counsel that the defendant seemed to approbate and reprobate its stance. The defendant pleads that the plaintiff has flagrantly infringed the defendant's alleged copyright by mirror and qualitative reproduction or substantial copy of its works. At the same time in its defence the defendant seeks to establish that the defendant's works do not resemble the plaintiff's due to its distinct nature. This could be seen in paras 9, 11, 12, 13 of the statement of defence. In other words, the defendant's position is that the defendant is not liable for infringement as the works are not similar, but the plaintiff is liable for infringement as the same works are similar. These pleadings were further established through the evidence of DW2 and DW3 as mentioned in the preceding paragraph.

[36] It is trite that a party taking such approbating and reprobating position

is not permitted. In *Cheah Theam Kheng v City Centre Sdn Bhd (in liquidation) and other appeals* [2012] 1 MLJ 761, the Court of Appeal held:

> [29] There is a principle of law of general application that it is not possible to approbate and reprobate. That means you are not allowed to blow hot and cold in the attitude that you adopt. A man cannot adopt two inconsistent attitudes towards another: he must elect between them and, having elected to adopt one stance, cannot thereafter be permitted to go back and adopt an inconsistent stance.

(See also *Tenaga Nasional Bhd v Irham Niaga Sdn Bhd & Anor* [2011] 1 MLJ 752 and *Lion Engineering Sdn Bhd v Pauchuan Development Sdn Bhd* [1996] MLJU 275).

[37] This court agrees with the plaintiff's counsel's deduction that this evidence shows that DW1's visual assessment of the said products factually supported the plaintiff's case and contradicts the defendant's defence and the evidence of DW2 and DW3.

The defendant failed to pursue its pleaded case that the plaintiff's works are not unique, not original

[38] One of the main arguments pleaded by the defendant was that the plaintiff's works is not eligible for copyright protection as the designs in the said plaintiff's works are nothing unique, and not original, and a mere reproduction and copying works of designs already existing in the textile business,

[39] This court found that there is much force in the submissions of the plaintiff's counsel on this issue that this court shall rule against the defendant on this matter as despite moving on this pleading, the defendant failed to put this issue to any of the plaintiff's witnesses during the trial. It is this court's finding that the defendant had failed to suggest during the cross-examination of any of the plaintiff's witnesses to the effect that the plaintiff's works is not unique, not original and were copying works from existing designs.

[40] Since the point was of such critical importance to the defendant, it ought to have been put to the plaintiff's witness during cross-examination. Failure to do so would have an adverse effect upon the defendants' case. It would mean that the plaintiff's works is unique, original and were never copied from existing designs already available in the textile industry (see: *Teo Hock Guan & Anor (t/a Teo Meng Huah Construction) v Johore Builders & Investments Sdn Bhd* [1996] 2 MLJ 596 and *Bank Bumiputra (M) Bhd v Hashbudin bin Hashim* [1998] 3 MLJ 262). In such a situation, this court is entitled to ignore the point which was pleaded but not pursued by the defendant, and this court could proceed upon the basis that the defendant was no longer advancing this as a reason or a ground to vitiate the plaintiff's claims for copyright to the

plaintiff's works: *Public Services Commission Malaysia & Anor v Vickneswary a/p RM Santhivelu (substituting M Senthivelu a/l R Marimuthu, deceased)* [2008] 6 MLJ 1 (FC).

[41] The law in determining whether a work is copyrightable is trite. It is not about how complex or how intricate or difficult the work may appear to be. But what the claimant for the copyright needed to show is that he has not copied it from another, and that he has expended towards its creation a substantial amount of skill or labour. And what will be the exact amount of skill, labour or judgment required cannot be defined in precise terms. In *Re Auvi Trademark; Auvi Pte Ltd v Seah Siew Tee & Anor* [1992] 1 SLR 639, Chao Hick Tin J of the Singapore High Court, in deciding whether the AUVI logo (which contains nothing more than just embellishment of four ordinary letters of the alphabet) constituted an artistic work and thus enjoyed copyright protection, said:

> The law on this is clear. Originality in this regard does not mean novelty or uniqueness; nor does it necessarily involve inventiveness. All that needs to be shown is that the author created it and has not copied it from another, and that he has expended towards its creation a substantial amount of skill or labour. What will be the exact amount of skill, labour or judgment required cannot be defined in precise terms: see Lord Atkinson in *Macmillan & Co Ltd v Cooper (K & J)* (1923) 40 TRL 186 at p 190.

[42] The Court of Appeal in *The New Straits Times Press (M) Bhd & Anor v Admal Sdn Bhd* [2013] 6 MLJ 405; [2013] 9 CLJ 955 held that in determining whether there has been copying, it is not the amount of copying that is relevant but the quality of the copying. In other words, there must be substantial copying of the concept as opposed to plenty of copying. Additionally, in determining the extent of copying, a court of law is required to exclude any information which is commonplace.

[43] This court concluded that even if the defendant's said pleading is to be considered, it would fail as this court is satisfied that the plaintiff had advanced sufficient evidence before this court to enable this court to conclude that the plaintiff's works is original and that it has not copied it from another, and that it has expended towards its creation a substantial amount of skill or labour, such that it could claim copyright over the said works.

Claims of copyright subsistence and copyright ownership via volunteer notifications and statutory declarations

[44] Section 42 of the CA prescribes the manner of proving copyright subsistence and ownership of copyrightable works. To further same in the copyrighted drawings, the plaintiff relied, among others, on the accompanying

statutory declarations to the voluntary notification. I found this approach to be correct.

[45] Gopal Sri Ram JCA (as His Lordship then was) explained the effect of s 42 of the CA in *Microsoft Corporation v Yong Wai Hong* [2008] 3 MLJ 309; [2008] 6 CLJ 223 as follows:

> The effect of s 42 is to provide prima facie evidence of the fact that the appellant's ownership of the copyright over several works in question. It was then for the respondent to provide positive evidence to displace the appellant's prima facie ownership, for example, by showing that some other person is the true owner of the claimed copyright.

[46] Azahar Mohamed J (as His Lordship then was) in *Elster Metering Ltd & Anor v Damini Corp Sdn Bhd & Anor* [2011] 8 MLJ 253; [2010] 1 LNS 397, having referred to *Microsoft Corporation v Yong Wai Hong* explained further the effect and purpose of s 42 as follows:

(a) s 42 provides that an affidavit or statutory declaration ('SD') made by the copyright owner or persons authorized by the copyright owner shall be admissible in any proceedings as prima facie evidence of the facts contained therein;

(b) the SD circumvents the requirement of having to produce supporting documentary evidence, which may be antiquated and voluminous (see: *Rock Records (M) Sdn Bhd v Audio One Entertainment Sdn Bhd* [2005] 3 MLJ 552; [2005] 1 CLJ 200 and *Microsoft Corporation v Yong Wai Hong* [2008] 3 MLJ 309; [2008] 6 CLJ 223);

(c) the intention of the Legislature when enacting s 42 is to make it convenient for copyright owners, especially foreign copyright owners, to enforce their rights in Malaysia;

(d) five prerequisites must be fulfilled for the SD to be acceptable under s 42:

(i) it must be made by or on behalf of the person claiming to be the copyright owner;

(ii) it must state the copyright subsists in the work at the time specified;

(iii) it must specify that the person affirming the SD or the person named therein is the owner of the copyright;

(iv) a true copy of the work is annexed; and

(v) the person who is authorised to act on behalf of the copyright must produce such an authorisation in writing (see: *Chong Kak Hau v Public Prosecutor* [2009] 8 CLJ 10; [2008] 1 LNS 734 and *Rajagopal a/l Santhanam v Public Prosecutor* [1998] MLJU 250; [1998] 1 LNS 485).

[47] I found the plaintiff's statutory declaration accompanying the voluntary notifications for the plaintiff's works, made pursuant to s 26A of the CA is in compliance with and also satisfies the five preconditions stipulated in s 42 as explained in *Elster Metering*, on the following grounds: **A**

(a) the SD was affirmed by PW1 on behalf of the plaintiff who claims to be the owner of the copyright subsisting in the plaintiff's works; **B**

(b) the SD declared that the said plaintiff's works are eligible for copyright under the Copyright Act 1987 of Malaysia, and at all material times and at the date of this statutory declaration, copyright subsists in Malaysia in the said works; **C**

(c) true copies of photographs of each of the nine plaintiff's works are annexed to the SD;

(d) the plaintiff's works were declared as the original artistic works made by employees of the plaintiff, PW1, in the course of his employment with the plaintiff; and **D**

(e) PW1 was authorised to act on behalf of the plaintiff.

[48] Having fulfilled the prerequisites of sub-s 42(2), it is my finding that the plaintiff's SDs made pursuant to s 26A of the CA, shall be regarded as the plaintiff's prima facie evidence on the ownership of the copyright in the plaintiff's works. **E**

[49] I found that the plaintiff has successfully established that copyright subsists in the plaintiff's works and the plaintiff is the owner thereof. **F**

The defendant's act of copyright infringement

[50] Having concluded that the plaintiff's works are protected under the CA, and copyright subsists in the said works, and that the plaintiff is the copyright owner of the plaintiff's works, I will now deal with the critical issue whether the defendant reproduced in material form the plaintiff's works or a substantial part thereof, without the consent, authority or license of the plaintiff, and thereby committed copyright infringement. **G** **H**

[51] As set out in the paragraphs earlier, the plaintiff's claim against the defendant is premised on the allegation that the defendant's infringing products had infringed the copyright of the plaintiff's works. The headscarves bearing the 'AALIA' brand name with eight commercial names as set out in the earlier paragraph were claimed by the plaintiff to be an unlawful reproduction in material form, in whole or substantially in part, of the plaintiff's works. **I**

[52] Section 36 read together with s 13(1) of the CA clearly provides that a

A copyright is infringed when any person does, or causes any other persons to do, without the license of the owner of the copyright, an act the doing of which is controlled by copyright under the CA. Acts controlled by copyright law under the Act are stipulated under s 13(1) of the Act.

B **[53]** At the outset I agree with the plaintiff's counsel that the plaintiff's works are eligible to be protected and controlled by copyright by virtue of the provisions of the CA, particularly ss 3, 7 and 13, provided the conditions as set out in *Siti Khadijah Apparel Sdn Bhd v Ariani Textiles & Manufacturing (M) Sdn Bhd* [2019] 7 MLJ 478; [2019] 8 CLJ 695 are fulfilled. Once copyright is
C granted, the plaintiff is provided the right to control the reproduction of the plaintiff's works, see also: *Megnaway Enterprise Sdn Bhd v Soon Lian Hock (sole proprietor of the firm Performance Audio & Car Accessories Enterprise)* [2009] 3 MLJ 525; [2009] 8 CLJ 130.

D (See also: *Sungei Kahang Palm Oil Sdn Bhd & Anor v YKL Engineering Sdn Bhd* [2020] MLJU 953; [2020] 1 LNS 1072; *SkyWorld Development Sdn Bhd & Anor v SkyWorld Holdings Sdn Bhd & Ors* [2020] 3 MLJ 294; [2020] 1 LNS 48; *DNC Asiatic Holdings Sdn Bhd & Ors v Honda Giken Kogyo Kabushiki Kaisha and other appeals* [2019] MLJU 2170; [2020] 1 CLJ 799; and *Siti*
E *Khadijah Apparel Sdn Bhd v Ariani Textiles & Manufacturing (M) Sdn Bhd*).

[54] Low Hop Bing J (as His Lordship then was) in the oft-cited *Megnaway Enterprise Sdn Bhd v Soon Lian Hock (sole proprietor of the firm Performance*
F *Audio & Car Accessories Enterprise)* [2009] 3 MLJ 525; [2009] 8 CLJ 130 having referred to the English case of *Purefoy Engineering Co Ltd v Sykes Boxall & Co Ltd, Sykes and Boxall* (1955) 72 RPC 89 and the text by Professor Dr Khaw Lake Tee in *Copyright Law in Malaysia* (1st Ed, Butterworths Asia 1994), had set out three essential elements that must be present cumulatively to
G establish copyright infringement, namely:

(a) there is sufficient objective similarity between the original work or a substantial part thereof, and the infringing copy;

(b) there is a causal connection between the original work and the infringing
H copy, that is, the infringing copy must have been copied from the original work, whether directly or indirectly; and

(c) what has been infringed must constitute a substantial part of the original work.

I **[55]** Azahar Mohamad J (as His Lordship then was) in *Elster Metering Ltd & Anor v Damini Corp Sdn Bhd & Anor* [2011] 8 MLJ 253; [2010] 1 LNS 397 in *Francis Day & Hunter Ltd and another v Bron and another* [1963] Ch 587, His Lordship held that:

(a) to constitute infringement of copyright, the two elements must be present, firstly, sufficient objective similarity between the infringing work and the copyright work, or a substantial part thereof, and secondly, the copyright work must be the source from which the infringing work is derived, there must be a causal connection between the copyright work and the infringing work;

(b) copyright work must be shown to be a *causa sine qua non* of the infringing work;

(c) this is a question of fact and the burden is on the plaintiff's to prove sufficient degree of objective similarity between the two works and some causal connection;

(d) proof of a sufficient degree of objective similarity between the two works and some causal connection give rise to an inference that the defendant have copied the plaintiffs' drawings, which is to be rebutted by the defendants; and

(e) if this is done, the burden shifts to the defendant to show the work is an independent creation.

[56] Azahar Mohamad J's decision was affirmed at the Court of Appeal where it was further held that 'If the existence of the copyright work has no causal connection with the production of the alleged infringing work (even though the latter be identical with the former) there is no infringement of copyright': *Elster Metering Limited & Anor v Damini Corporation Sdn Bhd & Anor* [2012] MLJU 1753; [2012] 1 LNS 959.

[57] Gunn Chit Tuan J in *Longman Malaysia Sdn Bhd v Pustaka Delta Pelajaran Sdn Bhd* [1987] 2 MLJ 359; [1986] 1 LNS 84 held that besides proving there is objective similarity, there must also be established that the degree of the objective similarity must be substantial. His Lordship went on to explain that the substantiality is required to be established not merely because of the physical amount of reproduction, but more because of the substantial significance of that which was copied. This principle is important to be borne in mind in order to ensure that the particular similarities relied on, are more likely to be the result of copying and not of mere coincidence.

[58] The Court of Appeal in *Honda Giken Kogyo Kabushiki Kaisha (also known as 'Honda Motor Co Ltd') v MForce Bike Holdings Sdn Bhd & Anor* [2021] 6 MLJ 594 held:

> [26] With regard to the issue of sufficient objective similarity, we are guided by what has been decided by the Federal Court in *Mohd Syamsul bin Md Yusof* in reference to the case of *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2001] 1 All ER 700; [2000]1 WLR 2416 (HL) that:

A [21] In an action for an infringement of copyright, as in the present case, the court must first identify those features of the defendants' movie that the plaintiff alleged to have been copied from his novel. The court undertakes full comparison of the two works, noting the similarities and the differences. This is to determine whether the particular similarities relied on by the plaintiff are B sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal or consist of general ideas. As aptly laid down in *Designer Guild Ltd v Russell Williams (Textiles) Ltd* (2000) All ER (D) 1950, the copyright owner must demonstrate sufficient C similarity, in the features which he alleged have been copied and that the defendant had prior access of his copyright work (see *Designer Guild Ltd v Russell Williams (Textiles) Ltd* (2000) All ER (D) 1950).

[22] The question as to whether the defendant has copied the plaintiff's work can generally and effectively be answered merely by a comparison of the two D works in respect of all essential or features. Here, a useful test of copying is that the similarities of the features, come so near to the original as to suggest that the features in the infringing work are the original to the mind of every person seeing it. Whether or not there has been an infringement must be a matter of degree, depending on the facts and circumstances of the case. As precisely said by E Upjohn LJ in *Francis Day*, 'this is really a question of fact and nothing else which depends on the circumstances of each case'.

[23] The first question to be asked by the court is whether in fact the alleged infringing work is similar or substantially similar to the copyright work. The next question is whether has the defendants copied the plaintiff's work or is it an F independent work of his own. The degree of objective similarity in each case needs to be evaluated from the evidence to determine the issue.

[24] The degree of objective similarity is, of course, not merely important, indeed essential, in proving the first element in infringement, namely, that the defendant's work can properly be described as a reproduction or adaptation of G the copyright work; it is also very cogent material from which to draw the inference that the defendant has in fact copied, whether consciously or unconsciously, the copyright.

[59] Following the trite principle as laid down in the authorities above, it is H the duty of this court to examine and evaluate on evidence, the distinct materials and features of both works in question. It is this court's duty to sufficiently deliberate whether the infringing products was a reproduction of the plaintiff's works. Only with such examination and evaluation, would this court be able to make a good comparison to determine similarities and I differences between the said two works. Essential features and other related elements must be decided based on evidence. This is to enable the court to determine whether the similarities are substantial or not, in light of the whole features contained in the two works. Such determination can only be done after examining and evaluating all evidence available but not by referring only to the

statement of claim and pleadings: *Mohd Syamsul bin Md Yusof & Ors v Elias bin Idris* [2019] 4 MLJ 788; [2019] 7 CLJ 560 (FC). A

[60] During the course of the trial, this court had examined and viewed the physical copies of the plaintiff's works and the defendant's infringing products, except the corresponding defendant's infringing product to the plaintiff's work known as Nura Printed Shawl. This court rule that the non-production of this single item does not in any manner affect the plaintiff's case as there are eight other items constituting the infringing products that had been produced before this court for visual examination apart from the documentary evidence in the form of photographs of those items. B C

[61] Having examined the exhs P9–P17 and P9A–P17A (defendant's equivalent of P16 was not provided to this court), and having considered the evidence of the witnesses and other secondary evidence before me, and applying the principle as set out in the authorities I cited earlier, I am satisfied that there exist exceptionally high degree of similarities between the plaintiff's works and the defendant's infringing products, and some other instances I found there are substantial degree of similarities between them, which this court could draw an inference of reproduction by the defendant a substantial part of the plaintiff's works, as the act of the defendant fulfilled the definition of 'reproduction' in s 3 of the CA. D E

[62] Through that examination and comparison, this court came to the conclusion that the infringing products are reproductions of the whole and/or substantial portion of the plaintiff's work. There is identical and/or significant similarity, among others, of colour, shape and pattern of the designs appearing on the infringing products with that of the plaintiff's works. F

[63] This court agrees with the plaintiff that there is not just one, but eight designs of the plaintiff's works copied and pasted to an exceptional level of similarity towards the infringing products. It is unlikely that it is sheer coincidence by an independent creation on the part of the defendant. In fact, having conducted the examination of the plaintiff's works and the infringing products, I found that the similarities between the two are too uncanny in nature to be merely coincidental. Evidence before this court showed that the plaintiff's products incorporating the plaintiff's works were made widely available for sale throughout the country between 25 April 2017 to 31 May 2019, depending on the design. The evidence also shows extensive advertising and promotion of the plaintiff's works, and substantial sales of the same. These evidences were not challenged by the defendant. In fact, the evidence and testimony produced by the plaintiff and defendant show that the defendant's infringing products existed long after each of the plaintiff's artistic works were published and made available to the public. This court found that the G H I

defendant only began ordering the infringing products on 28 September 2017, which arrived on 19 October 2017. This court agrees with the plaintiff further that during those periods, there was ample time and opportunity for the defendant to have prior access to sight the plaintiff's works which were available publicly since 25 April 2017, some five months earlier than the order date.

[64] Having considered the evidence before me and having satisfied the existence of similarities between the plaintiff's and the defendant's works, I conclude that the defendant's works were not independently created. There was casual connection between these works.

[65] I had determined the subsistence and ownership of the plaintiff's copyright. I further found that the plaintiff had proven sufficient objective similarity between its works and the defendant's infringing works and the casual connection between them.

[66] Based on the above findings, the burden at that juncture shifted to the defendant to show that the defendant's infringing products are independent creation.

Absence of Nor Shahiza Abdullah

[67] DW2 gave evidence that the defendant's fabric designer, Nor Shahiza Abdullah who was the main creator of the works comprising the infringing products, cannot be traced since 2020 and that was why the defendant decided not to call her to give evidence. This is despite the fact that Nor Shahiza Abdullah's witness statement had been filed in court on 4 February 2020 (encl 52). Nor Shahiza worked as the defendant's fabric designer since 2014. She was responsible in the creation of the designs of the infringing products throughout her stint in the defendant company. DW2 testified that despite Nor Shahiza being the defendant's key designer, DW2 had contributed substantially in the design works as she would provide her ideas taken and derived from her observations and reflections during her extensive business and personal journeys and trips locally and abroad. Apart from that, DW2 testified that the designs done by Nor Shahiza would always be supervised by her and carried out by Nor Shahiza following her instructions.

[68] While DW2 claims that she has personal knowledge of the design of the infringing products, this court found that when questioned further during cross-examination, DW2 was not able to give any answer to proof this personal knowledge. DW2 testified that she was not aware of Nor Shahiza's qualifications and is also not aware of the tools or software used to make the designs.

[69] This court concluded that whether Nor Shahiza copied or infringed the plaintiff's works, is something DW2 would not be able to confirm. That must come from Nor Shahiza's evidence. This is despite DW2's testimony that she always sees the design process and she maintained a rather physically close working relationship with Nor Shahiza especially in the designing process.

[70] This court noted that Nor Shahiza's signature and name dominates the defendant's copyright documents, just as PW1 is for the plaintiff. In light of DW2 and DW3's evidence, Nor Shahriza's evidence is critical for the defendant to fulfill its burden to proof that the alleged infringing products are in fact its independent creation.

[71] DW3 admitted in his evidence that he has no knowledge of the copyright documents or the filing process of those documents relating to the infringing products.

[72] This court concludes that Nor Shahiza's absence had deprived the plaintiff from cross-examining Nor Shahiza on the key issues pertaining to the design and copyright of the infringing products.

[73] This honourable court drew an adverse inference against the defendant for this suppression of evidence by the absence of Nor Shahriza. Apart from that, this court further concluded that the defendant failed to show that the infringing products are the defendant's independent creation, which could be positively established by the evidence of Nor Shahiza (see: *Letchumanan Chettiar Alagappan @ L Allagappan (as executor to SL Alameloo Achi alias Sona Lena Alamelo Acho, deceased) & Anor v Secure Plantation Sdn Bhd* [2017] 4 MLJ 697 (FC); *Sistem Penyuraian Trafik KL Barat Sdn Bhd v Kenny Heights Development Sdn Bhd & Anor* [2009] 3 MLJ 809 (CA); and *Munusamy v Public Prosecutor* [1987] 1 MLJ 492 (SC)).

Evidence of PW1

[74] PW1, who is the Head Designer for Tudung at the plaintiff company testified on his works at the plaintiff company and the design works he had created for the plaintiff's works. The defendant's counsel questioned the integrity of PW1 as no evidence was provided by the plaintiff on the employment agreement of PW1 and that no evidence were furnished on PW1's previous works at the plaintiff company to prove his status as the designer at the plaintiff company.

[75] Having considered the evidence of the witnesses before me during the course of the trial and having perused and considered all the evidence before me, this court is satisfied that PW1 had designed the nine plaintiff's works

which is the subject matter of this suit. That works were carried out by PW1 during the course of his employment with the plaintiff.

Non-calling of Ministry officers as witness

[76] The defendant's counsel argued that despite the availability of the identities of the Ministry officials who conducted the raids, none of them were called by the plaintiff to give evidence. This failure on the part of the plaintiff must be considered by this court adversely against the plaintiff: *Sabah Shell Petroleum Co Ltd & Anor v The Owners of and/or Any Other Persons Interested in the Ship or Vessel the 'Borcos Takdir'* [2012] 5 MLJ 515.

[77] This court agrees with the submission of the defendant's counsel that the raid per se cannot be used by the plaintiff to support its claim against the defendant. I adopt the position on this issue as decided in *Chuah Aik King (sole proprietor of Sykt B Three Technology) v Keydonesoft Sdn Bhd* [2019] 8 MLJ 515; [2018] 10 CLJ 354, where Wong Kian Kheong J (as His Lordship then was) held:

> [14] The raid has been carried out pursuant to the powers conferred by ss 44, 45, 45A, 46 and 47 of the CA. Evidence obtained during the raid may support the prosecution of any offence under CA which can only be instituted by or with the written consent of the Public Prosecutor under s 53 of the CA.
>
> [15] I am of the view that the seized items may be tendered by any party in this civil suit (by calling the investigating officer (IO) as a witness to tender the seized items) provided that the seized items are 'facts in issue' and/or 'relevant facts' within the meaning of ss 3 and 5 of the EA. However, the raid, in itself, does not support or oppose this civil suit.
>
> [16] The plaintiff did not call the IO to produce the seized items in this case. Accordingly, the plaintiff cannot rely on the raid to support this suit.

[78] This court found that the defendant's reliance on the case of *Chuah Aik King* is misplaced, as the facts here and the facts in that case can be distinguished in the following manner:

(a) the event of the raid is not disputed;

(b) the defendant's own witnesses have admitted to all the relevant facts pertaining to the raid;

(c) even putting aside the raid, the defendant's infringing acts are already established by the defendant's own evidence and admissions of designs and sales as follows:

(i) the disputed designs fall under the collections named 'Alaaina Instant Shawl' and 'Noura Printed Shawl', and stock code being 15410054 or 15410055 33;

(ii) the defendant sold RM524,000 worth of units of shawls/tudungs comprising the infringing products incorporating eight of the nine designs of the plaintiff's works between June 2017 and July 2019;

(iii) for each of the shawls/tudungs comprising the infringing products incorporating eight of the nine designs of the plaintiff's works, about 30–50 pieces were made per design initially. If there is demand, more will be produced; and

(iv) the defendant made the purchase order for the shawls/tudungs incorporating the shawls/tudungs comprising the infringing products incorporating eight of the nine designs of the plaintiff's works.

[79] Apart from the above, this court found that there was no challenge made to the plaintiff's witnesses as or any suggestion during cross-examination that the testimonies of the respective raiding officers are necessary to affirm the contents of the seizure lists, and that without the Ministry officers' testimonies, the list cannot be verified and are inadmissible.

[80] This court agrees with the plaintiff that the law is trite that as this issue was never raised to any of the plaintiff's witnesses, plaintiff's witnesses were deprived of answering on this point as it should have been during trial, and it follows that this point cannot be advanced during submissions. See: *Teo Hock Guan & Anor (t/a Teo Meng Huah Construction) v Johore Builders & Investments Sdn Bhd* (CA); *Bank Bumiputra (M) Bhd v Hashbudin bin Hashim* (HC); *Public Services Commission Malaysia & Anor v Vickneswary a/p RM Santhivelu (substituting M Senthivelu a/l R Marimuthu, deceased)* (FC).

[81] This court also found that the parties had agreed before the commencement of trial that the seizure lists are Part B documents where admissibility is not an issue and there would be no requirement to call its maker. The only challenge that can arise is to the weight attached to the Part B evidence: *Jaafar bin Shaari & Anor (suing as administrators of the estate of Shofiah bte Ahmad, deceased) v Tan Lip Eng & Anor* [1997] 3 MLJ 693 (SC); and *Yeo Ing King v Melawangi Sdn Bhd* [2016] 5 MLJ 631 (CA).

Exhibits P9A–P17A were not part of the items seized during the raid

[82] PW2 explained during cross-examination that P9A–P17A were not the seized items but were obtained from trap purchase conducted by plaintiff's employees at the defendant's premise.

[83] DW2 admitted in her testimony that she was present at the raids. All the 309 items siesed from the defendant's premises were detailed out in the seizure

forms issued by the Ministry and counter-signed by the defendant's employees at the relevant premises of the defendant. This court concluded that the fact that the Ministry officials were not called by the plaintiff to testify does not in any manner affects the plaintiff's case. The plaintiff is required to prove its case through the testimonies of other witnesses and the tendering of other form of evidence.

[84] The defendant's counsel further argued that the seized items were not produced or tendered before this court. The shawls marked as exhs P9A–P17A were not the seized items.

[85] On this issue, firstly it is not the plaintiff's case that the infringing products are the seized items during the raid. That notwithstanding, I agree with the plaintiff's counsel that the evidence before this court is abundantly clear that the infringing products marked as exhs P9A–P17A are that of the defendant's based on the following grounds:

(a) Table 1.0 in the report of the defendant's expert (DW1) refers to the defendant's infringing goods, which according to DW1 were provided by the defendant and all of these items referred to in this report bear identical resemblance to exhs P9A–P17A;

(b) DW2's testimonies admitting exhs P9A–P17A carry identical visual designs, model names and model numbers with the defendant's products;

(c) the defendant's voluntary notification for its products and the accompanying SDs carry the same product name and product numbers as found in the infringing products (see pp 313–350 Bundle B); and

(d) DW3 testified that the defendant had manufactured and sold products incorporating designs as contained in the infringing products, and had incurred expenses to advertise its products incorporating designs which are identical to the infringing products.

[86] Having come to that conclusion, this court further found that exhs P9A to P17A are indisputably the defendant's products or at least, would accurately mirror the designs of the infringing goods. I conclude that the fact that exhs P9A to P17A are not part of the seized goods is a non-issue. In fact, it is a mutually agreed point between the plaintiff and the defendant that the seized units of goods are still within KPDNHEP's possession. This court considered the evidence of PW2 whom had confirmed that exhs P9A to P17A are not part of the same units seized during the raid, but were other units purchased by the plaintiff from the defendant prior to the raid. This evidence is consistent with evidence of DW3 whom had admitted that the defendant made numerous copies of each design and sold them across their many branches.

CONCLUSION

[87] Having considered the facts, evidence and law as set out in the paragraphs above, this court decide to allow the plaintiff's claims for copyright infringement against the defendant, and consequentially issued a permanent injunction to restrain the defendant, whether acting by himself or otherwise from doing the following acts or things or any of them:

(a) infringing the plaintiff's copyright in the plaintiff's works;

(b) reproduction in any material form of the plaintiff's works and/or in any material form which is identical or similar to the plaintiff's works; and

(c) importing to Malaysia, releasing, having in possession to conduct business, distributing in the course of business without license from the plaintiff, selling, offering for hire, offering or exposing for sale or for hire, exhibiting, or reproducing plaintiff's works and/or in any material form which is identical or similar to the plaintiff's works and/or infringing the plaintiff's copyright in any manner.

[88] This court further ordered the delivery up of all of the infringing products which are in the defendant's possession, power, custody or control, and that the damages for the infringement of the plaintiff's copyright shall be assessed at a separate inquiry.

[89] The defendant's counterclaim is dismissed with costs.

Plaintiff's claim and counterclaim dismissed.

Reported by Ashok Kumar